

EARLY RETIREMENT

A.C.A. § 24-7-702, amended by Act 282 of 1995, Act 282 of 1995, Acts 992 and 1074 of 1997, Act 1521 of 1999, Acts 461 and 1300 of 2001, Act 385 of 2005

RULES

1. Early retirement with a reduction in the benefit formula allows active or inactive members who have at least 25 years of credited service but who have not attained age 60 to retire early on a reduced annuity. Upon the active or inactive member's retirement as provided in A.C.A. § 24-7-702(b), the member shall receive, in lieu of any other system benefit, an early annuity that shall be a certain percent of an annuity provided for in A.C.A. § 24-7-705. The percent shall be one hundred percent (100%) reduced by five-twelfths percent (5/12%) multiplied by the number of months by which time of early retirement precedes the earlier of either completion of twenty-eight (28) years of credited service or attainment of age sixty (60).
2. For active members, benefits are effective the first day of the calendar month next following the latest of one month after the receipt of the application for retirement, the member's termination of active membership, or the member's completion of the required credited service.
3. For inactive members, the effective date of benefits is the first day of the month following the date the member's application for retirement is received in the Teacher Retirement office.
4. A. Effective July 1, 2001, a member who has not attained normal retirement age (65) must terminate covered employment to be eligible for early retirement.

~~B. A member shall not be considered terminated from employment for retirement purposes if the person returns to a position that would otherwise be covered by ATRS within thirty (30) days of the person's effective date of retirement.⁴~~

C. A person failing to meet these termination requirements shall forfeit retirement benefits until the requirements are met.
5. Effective July 1, 1995, a member retiring with an effective date other than July 1, who has not completed his/her employment contract and who wants to retain credit for service within the current fiscal year, may make application to retire one (1) full month prior to the month benefits are to be effective. No salary earned during the fiscal year may be used in the computation of

¹ Repealed by implication by Act 743 of 2009.

benefits, and no more than one-fourth (1/4) of a year of service credit shall be given for each quarter completed, regardless of the number of days worked in a quarter. If a member has signed an employment contract for a fiscal year and has been paid in full for that year, benefits shall not become effective until July 1.

Amended: June 15, 2004
July 18, 2005